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December 22, 1998

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Magalie Roman Salas, Esq.
Secretary
Federal Communications Commission
The Portals
445 12th Street, S.W.
Washington, D.C. 20554

Re: Docket Nos. 91-221,87-7, 87-8 and 96-222
EX PARTE Filing

Dear Ms. Salas:

On behalf of The Christian Network, Inc., I am attaching a letter to the Chairman filed in connection with the above-referenced matters addressing the issue of the UHF Discount and the Single Majority Shareholder Rule.

Pursuant to Section 1.1206(b) of the Commission's rules, an original and two copies of this letter are being submitted to the Secretary's office for each of the above-captioned dockets. Should there be any questions regarding this filing, please contact the undersigned.

Respectfully submitted,


Margaret L. Miller

MLM/sjf
Enclosure

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December 10, 1998

Chairman William E. Kennard
Federal Communications Commission
1919 M Street, N. W., Room 814
Washington, D. C. 20554

Dear Chairman Kennard:

The FCC will soon make several important and historic policy decisions that could have a major impact on the broadcast industry and TV station owners. There are two issues to be decided which are of particular interest to me. Those are the matters of UHF Discount and the Single Majority Shareholder Rules.

As president of The Christian Network, Inc., I am particularly concerned with these issues because of the potential impact they may have on those TV stations and network owners who work with us in distributing religious programming throughout the United States.

For instance, the Christian Network provides 35 hours each week of Christian and family-oriented programming to PAXtv. Because of this programming relationship, all situations with possible negative impact on PAXtv are very important to us. Additionally, The Christian Network has dozens of other UHF station affiliates around the Country, which carry our programming. Historically, niche programming, including religious programming and Christian programming as such, is disproportionately dependent upon UHF television stations for distribution. That's why it is so important to us that all advantages currently enjoyed by UHF stations in general, and Christian or family-oriented stations in particular, are continued, however small these advantages might be.

I realize these issues may appear minor in comparison to other FCC issues to be decided. However, I believe the consequences of a negative decision by the Commission on the UHF Discount and Single Majority Shareholder rules could produce a broadcast marketplace that is unresponsive to those emerging networks who are undertaking to provide more religious and family-oriented television programming.

To further support the position stated in his letter, I offer the following major points of argument in favor of the UHF Discount and Single Majority Shareholder Rules. I urge the Commission to carefully consider the impact of their decision on these issues, and to vote to maintain the existing UHF Discount and the Single Majority Shareholder Rule.

Maintain Existing UHF Discount:

- ☐ This discount has been in place for 13 years and has been a major factor in the growth of UHF television.
- ☐ UHF television stations continue to operate with technical and economic disadvantages to VHF stations as consistently reflected in ratings disparities.
- ☐ DTV is continuing the UHF handicap with inadequate power allotments and cable carriage cannot eliminate the UHF/VHF disparity.

A Ministry of The Christian Network, Inc.

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Chairman William E. Kennard
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- ☐ Retaining the UHF discount serves the Commission's diversity and competition goals by encouraging the development of emerging networks such as PAXtv, WB, UPN, Univision and Telemundo.
- ☐ The emerging networks are built upon UHF stations and must, to be economically viable, own a significant portion of their distribution.

Retain the Single Majority Shareholder Rule:

- ☐ The single majority shareholder rule will permit the emerging networks to hold up to 49% of the voting stock of a female, minority or new entrant-controlled station without having that station be attributable to the emerging network for either national or local ownership purposes.
- ☐ The emerging network would provide programming to the station via a standard Affiliation Agreement.
- ☐ The emerging network would work with the majority owner to obtain third party (e.g., bank) financing for the construction or purchase of the station.
- ☐ The emerging network would not have any option to purchase the station.
- ☐ The station licensee would be provided with significant time on a daily basis for the broadcast of non-network, local programming.
- ☐ The single majority shareholder would be in control of the ownership, programming, operation and ultimate disposition of the station.

Your kind consideration of this request is deeply appreciated. It is my hope and prayer that the Commission's serious reflection of the points made in this letter will produce a decision favorable to Christian programmers specifically, and quality family television in general.

May God bless you and give you wisdom in your deliberations.

In His Service,



Dustin Rubeck
President and CEO

DR/cv